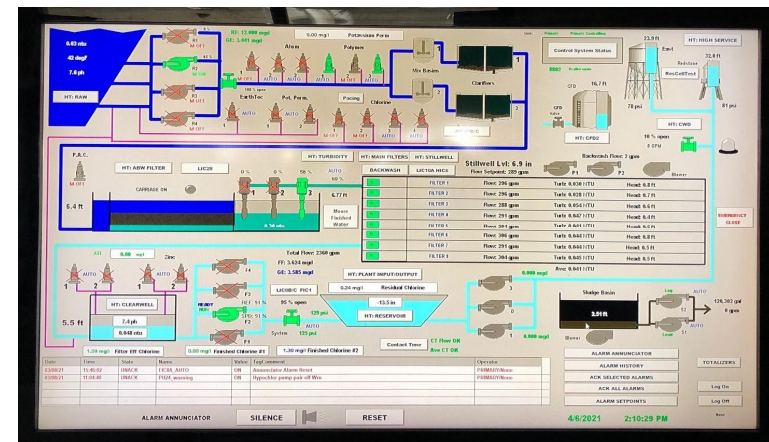
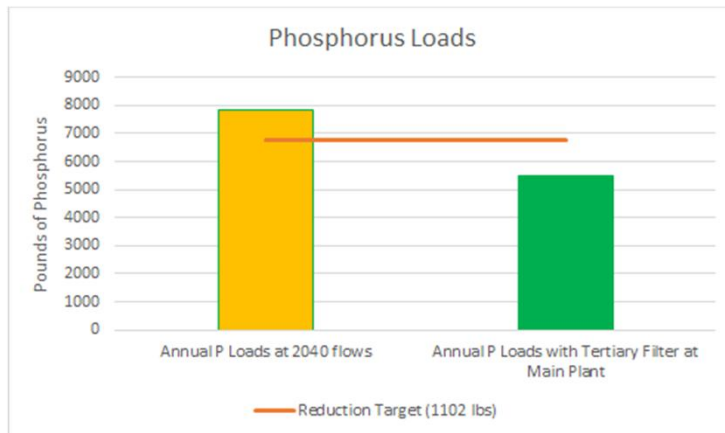


Burlington Water Resources FY21 Highlights

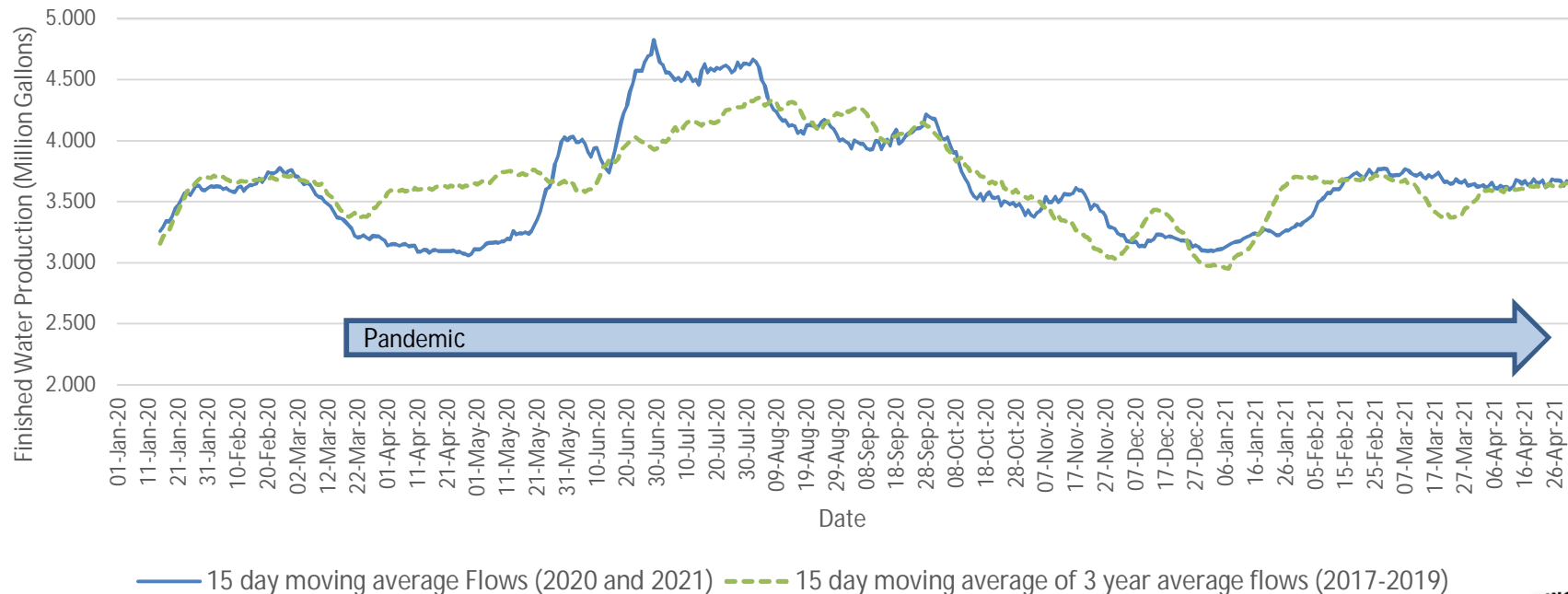
- Provided critical water services 365-24-7
- Completed Disinfection upgrades at all 3 WWTPs
- SCADA/PLC upgrade at Main Plant
- Completed Preliminary Engineering for Remainder of WW Phase II Clean Water Resiliency Plan Improvements
- Wastewater Surveillance for Sars-Cov-2
- Integrated Water Quality Planning Study
- Water and Wastewater Ratepayer Affordability



FY 22 Water Resources Budget

- Water and Wastewater usage has performed better than predicted.
 - Predicted possible deficits of **\$(370,446)** and **\$(251,874)** respectively
 - EOFY 2021 predictions are \$128,777 and **\$(99,712)** respectively
 - Approximate \$472K in arrearages

Comparison of Water Production During Pandemic to Average Water Production 2017-2019



FY 22 Water Resources Budget:

Back on the Sustainable Stewardship Track

Expense

- Fully fund FY22 base operational increases (salary, benefits, utilizes, indirect allocations, PILOT), training/conferences, repair/maintenance and PayGo Capital*
- New debt service in Wastewater (\$177K) for Disinfection and SCADA upgrades; Redstone Tank Rehabilitation financed payment (\$110K)
- Includes funds for “payback” of \$209K of overbilling via meter modernization and water supply resiliency planning project at UVMCMC
- Funds two new customer assistance programs for first time in history: \$40K for sewer filming rebates; \$15K for WaterSense fixtures
- Full funding for 2019 staffing plan implementation + additional position needed for operational resiliency
 - Water Resources Technician and Tiered Wastewater Operator in Training
 - Tiered Water Operator In Training

FY 22 Water Resources Budget:

Back on the Sustainable Stewardship Track

Fiscal Health

- All three funds have significant CIP needs in their future and need healthy cash reserves to support loan underwriting and cash flow needs
- FY22 budget establishes dedicated capital reserves
 - Minimum of \$50K each for Water and Stormwater
 - Minimum of \$100K for Wastewater
- Wastewater has smallest Operational cash reserve (~100 Days of Cash on Hand)
 - \$100K budget surplus programmed for Wastewater to build DCOH
- ARPA funds to replenish FY20 lost revenue will bolster long term financial health



FY 22 Water Resources Budget:

Back on the Sustainable Stewardship Track

Revenue

- Assumes flat/slight decrease in overall water usage trends; does not include COVID specific declines
- 6% increase in retail revenue required for water and wastewater, 5% for stormwater
- Includes conservative assumptions regarding uptake rate for WRAP fixed fee waiver customer
- With the adoption of the 2021 rate restructuring and affordability programs, the overall impact to the majority of residential property owners will be significantly minimized, and in many cases reduced compared to FY21 bills.



FY 22 Water Resources Budget:

Looking Ahead

- Continued reinvestment will be needed across all three funds
 - Phase III Clean Water Resiliency
 - Reservoir Resiliency: 1867 Water Reservoir pump house, reservoir roof
 - Water main replacement
- New regulatory targets (Lake Champlain Phosphorus Plan and Combined Sewer requirements) also will require significant investment
- ARPA and BBB Stimulus Hopes and Dreams???
 - Arrearage support for (some) rate payers?
 - Possible water/wastewater bill assistance for renters
 - Infrastructure funding (we need funding, not additional financing)

